Governments in the form of sales tax, rent as land given to salt pans, royalty etc.

(b) if so, the details of above tax, royalty etc. imposed on per metric tonne of salt and rent collected per annum, per acre of land given to salt pans for last three years, year-wise, State-wise and category-wise;

(c) whether steps will be taken to exempt salt from tax in the light of Seventy fifth anniversay of "Dandi March".

(d) if so, details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (e) The information is being collected and will be laid on the Table of the House.

Financial crunch in Bihar

3481. SHRI MOTIUR RAHMAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Bihar is facing financial crunch;

(b) if so, what contingency and long-term plans are being made to meet the situation; and

(c) the details of suggestions/requests received by the Central Government in this regard; and the action taken thereon so far?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Twelfth Finance Commission (TFC) has not assessed the State of Bihar as a revenue deficit State.

(b) Does not arise. TFC has recommended total transfer of estimated share in taxes and grants during 2005-10 of Rs. 75,646.83 crore for Bihar.

(c) No specific request has been received from the State in this regard.

Powers to excise authorities to attach assets

3482. SHRI B.K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to arm excise authorities with powers to provisionally attach assets including property when assessments are still in process;

(b) if so, whether a separate Bill to this effect is being introduced in Parliament; and

(c) whether Government would provide adequate safeguards to prevent any possible misuse of these powers by excise authorities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The proposal for provisional attachment of property belonging to the Central Excise assessees and others during the proceedings is under consideration of the Government.

FDI inflow compared to China

3483. SHRI RAVULA CHANDRA SEKAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that China attracts about 10 times more foreign direct investment than India;

(b) if so, the details of the FDI in both the countries during each of the last two years and the reasons for China attracting more FDI than India;

(c) whether Government have contemplated any steps to attract more FDI into the country; and

(d) if so, the details thereof and if not, the reasons therefore?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. According to World Investment Report—2004, of the United Nations Conference on Trade and Development, FDI in India and China during last two years was as under:

(billion of US$)

Year	China	India
2002	52.74	3.45
2003	53.51	4.27

China has a bigger market size due to higher total and per capita GDP, as well as competitive business environment and infrastructure. Further, China has more flexible labour laws and less rigid entry and exist procedures. These factors make China more attractive for FDI.

(c) and (d) Government has put in place a liberal, transparent and investor friendly FDI policy. The latest revision to further liberalise the FDI regime are as under: